By: Harper-Brown (Senate Sponsor - Wentworth) H.B. No. 2092 (In the Senate - Received from the House April 14, 2003; April 15, 2003, read first time and referred to Committee on 1-1 1-2 1-3 Infrastructure Development and Security; May 13, 2003, reported favorably by the following vote: Yeas 9, Nays 0; May 13, 2003, sent 1-4 1-5 1-6 to printer.)

A BILL TO BE ENTITLED AN ACT

1-9 relating to the award of certain state highway maintenance 1-10 1-11 contracts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 223.042, Transportation Code, is amended to read as follows:

PRIVATIZATION OF MAINTENANCE CONTRACTS. Sec. 223.042. (a) Of the amount spent in a fiscal year by the department for maintenance projects, the department shall spend not less than 50 percent through contracts awarded by competitive bids.

(b) Money spent for maintenance projects to which this section does not apply are included when computing the amount of expenditures for maintenance projects in a fiscal year.

The department may award a contract under this section (c) as a purchase of service under Subtitle D, Title 10, Government <u>Code, if the department:</u>

(1) estimates that the contract will involve an amount less than \$15,000; and (2) determines that the competitive bidding procedure

in this chapter is not practical.

1-28 (d) The department shall consider all of its direct and 1-29 indirect costs in determining the cost of providing the services. The department shall use the cost accounting procedures and instructions developed by the State Council on Competitive Government under Section 2162.102(c)(2), Government Code, in 1-30 1-31 1-32 determining its cost. On request, the State Council on Competitive 1-33 Government shall provide technical assistance to the department 1-34 1-35 about the cost accounting procedures and instructions.

1-36 (e) [(d)] Subsection (a) does not apply unless the 1-37 department determines that a function of comparable quality and 1-38 quantity can be purchased or performed at a savings by using private 1-39

sector contracts. (f) [(e)] The department shall file a report with the Legislative Budget Board on September 1 of each fiscal year 1-40 1-41 1-42 detailing the contracts awarded by the department under this 1-43 section during the previous fiscal year.

(g) [(f)] The commission shall adopt rules to administer 1-44 1-45 this section.

1-46 (h) [(g)] In this section, "maintenance project" means any routine or preventive maintenance activity. The term includes 1-47 1-48 mowing, concrete removal and replacement, illumination maintenance, guardrail repair, fence repair, litter pick-up, 1-49 herbicide spraying, pothole repair, silt and erosion control or repair, sign installation, highway overlaying, paint and bead striping, rest area maintenance, and installation of raised 1-50 1-51 1-52 1-53 pavement markings.

1-54 (i) [(h)] This section does not apply to the purchase of 1-55 materials for maintenance projects.

1-56 SECTION 2. This Act takes effect immediately if it receives 1-57 a vote of two-thirds of all the members elected to each house, as 1-58 provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this 1-59 1-60 Act takes effect September 1, 2003.

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